

A fresh call for equitable trade regime

Pitfalls of Cancun must be avoided

THE agreement reached in Dhaka among the trade ministers and experts from 37 countries that equitable global trade regime is the key point in bridging the rich-poor gap marks a melting of the ice prior to the next round of talks in February. Though the superpower United States was not among the participants in the two day long high profile brainstorming discussions, it nevertheless shows a slight shift from where the developed country had been standing firmly on.

But such a softening of attitude will be of little avail unless translated into tangible benefits in terms of poverty reduction and fair deal to the producers. We agree that trade itself is not the only instrument in reducing poverty; if the trade benefits are not equally shared among rich and poor countries, poverty is likely to remain endemic.

The other concern is the challenges faced by multilateralism. Especially after the Cancun WTO debacle, there has been a spate of trade pacts, both bilateral and regional. This is a step forward, undoubtedly, but at the same time one has to watch and see whether they fall in line with multilateralism, envisaging an equitable trade scenario. In the essence, the WTO and the governments must ensure that common people become the ultimate beneficiary of the multilateral trading system. One of the main targets for establishing trade equity would be to ensure fair deal to the peasants and workers in the developing countries.

The observation by Pascal Lamy, Trade Commissioner of EC on effective implementation of Safta should go down well in the region. Indeed, if Safta is implemented, then the region would become a market of 1.4 billion people, bringing huge prospect of foreign investment with it. And naturally Bangladesh would be one of the major beneficiaries in that situation. The framework is ready after volumes of discussions on what to do and what not to do. Now is the right time to act and that also politically. We join some of the experts in saying that politicisation of world trade policies can only prove counter-productive.

PERC hits the nail on the head

Its recommendations merit active consideration

THE Public Expenditure Review Commission (PERC) has not sprung any surprise as it might appear on the face of it. Rather, it has stated what needed to be said. After two years of intense encounter with the anomalies in government expenditure, the 7-member PERC headed by M Hafizuddin Ahmed has come out with a forthright corrective recipe.

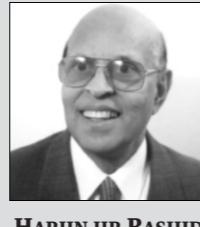
In a report submitted to the government, the review commission has suggested that the Prime Minister's Office (PMO) be shuttered down to cut back on government expenses. In conjunction with it, the PERC recommended that the number of ministers be reduced from 38 to 22 which would help curtail the expenditure substantially. Ever since the BNP-led coalition government inducted the unwieldy cabinet it has been a subject-matter of strident criticism from all corners. It drew the donors' flak much the same way that the country's development planners and civil society leaders called for a drastic lessening of the cabinet size at least for the efficiency's sake.

Thus it's not surprising that the PERC has suggested a decrease in the number of ministries that often overlap, not to mention the lengthy decision-making process created by the labyrinthine structure. Two and a half years down the line, it is still possible for the BNP to curtail the cabinet size; much that it is also desirable on their part.

What obviously is out of the ordinary and something of a stunner is the forthright manner in which the PERC has asked for the winding up of the PMO. Its argument is unassailable: in a parliamentary system of government it is the cabinet division through which the prime minister operates. The integration of the PMO with the cabinet division will not merely cut costs but also reduce over-centralisation.

The PERC recommendations are as good as paper-work unless implemented by this government which has a plenty of time to do it -- in two and a half years.

Promise and pitfalls of Kashmir talks



HARUN UR RASHID

stance India and Pakistan announced that formal talks would begin next month to settle their long standing differences, including Kashmir. It is reported that Pakistan promised that it would not allow terrorists to operate from its soil, while India dropped its insistence that Kashmir was not open to discussion.

It is not the first time that India and Pakistan have agreed to talk bilateral issues including Kashmir. However their positions on Kashmir are so entrenched that they failed to break the vicious cycle of

largely conducted either through third countries or smuggling. Economic activities between states act as a glue to cementing political relations. India has realised that a switch from "swords" to "ploughshares" will expand significantly its economic opportunities with the rest of South Asian six countries with a market of nearly 400 million population.

India by 2025 will be the fourth largest energy consumer in the world but New Delhi until now has refused to obtain gas by pipeline from Iran through Pakistan, even

President Musharraf appears to have an unusual characteristic as a Pakistani leader. He advocates a moderate Islamic line. It seems he wants to leave his lasting legacy to his people as a "statesman". In the past, he has been courageous to ditch the Taliban regime and now he wants to strike a deal with India on the Kashmir dispute. He reportedly said: "We must finish off religious extremism... We Muslims have become too emotional", implicitly indicating that Kashmir has become an emotional issue that needs to be resolved with a heavy dose of common sense and

the military-dominated Pakistan government has made an irreversible decision in favour of friendship and peace. After all India considers President Musharraf as the principal architect of the "Kargil war" in 1999. In London, the Guardian expressed concern over the credibility of President Musharraf. India needs to see whether Pakistan keeps scrupulously its commitment in preventing militants to cross over to the Indian-held Kashmir from Pakistan and that is why India proposed talks not in January but next month. Furthermore, if there is a terrorist-attack by Paki-

by self-determination of Kashmiris expressed through plebiscite, supervised by a neutral party, preferably by the UN. India on the other hand considers that Kashmir is an integral part of India and Pakistan-held Kashmir is an illegal occupation resulting out of an aggression by Pakistan in 1947. The gulf between the two sides is palpably so wide that it could not be bridged in previous negotiations.

What is the solution?

The trick seems to be to arrive at a formula that allows both sides to say that they are in a win-win situation. Human ingenuity must come to play with all the vigour necessary to find a unique deal. Unless there is an imaginative approach from both sides to settle the Kashmir dispute, the talks are likely to fail as they had done before. Meanwhile it is reported that President Musharraf would not insist on a plebiscite in Kashmir. If it is true, the huge concession will go a long way to find a common formula to resolve the issue.

Conclusion

Although the talks will be a new beginning, the stakes of both sides are high. If gestures and the mood are anything to go by, it could presage meaningful negotiations. The goal is to seek a common ground. Both must distinguish between what is ideal and what is achievable. That means each side must appreciate the concerns of the other, only then both parties can build bridges, not barriers.

Friendship is not easy between India and Pakistan and many a time their relationship has gone through ups and downs. Leaders of India and Pakistan have to mould and shape public sentiments within their respective countries so that a settlement of the dispute can be made on the basis of compromise. They are also put to test as to whether they have the capability to negotiate peace while the whole world will watch them.

It is hoped that leaders of India and Pakistan will not fail to demonstrate their courage and imagination to resolve the intractable Kashmir dispute for peace and progress of 1.4 billion people in South Asia. It brings to mind what Sir Winston Churchill once said: "Courage is rightly esteemed the first of human qualities because it is the quality which guarantees all others."

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BOTTOM LINE

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impasse on the Kashmir dispute. Some have remarked that the recent meetings between the two top leaders was rather a romantic -- "one promising the moon to the other -- but when reality dawns, Kashmir will never be solved" because of domestic political reasons.

Promising aspects

Do we perceive anything new in the latest bid to resolve their differences? It can be argued that there are certain factors in political horizon that provide optimism for a shared vision of South Asia free from tension and conflict.

India seems to be keen to rid itself of the image of a "bulldog" regional bully and has courted its neighbour with good will. India perceives that its olive branch will result in cooperative efforts among South Asian nations. That is one of the reasons why Free Trade Agreement within seven nations was vigorously pushed by India during the SAARC Summit.

Both India and Pakistan have appreciated the dynamics of prevailing world situation and unless they do something concrete to develop a relationship that precludes the sort of tension that in 2002 led them to the brink of war, it will be counterproductive for them in both political and economic terms and they have decided not to continue the confrontational attitude towards each other.

At present trade between the world's second (India) and sixth (Pakistan) largest countries is

though this would be the most cost-effective way to meet its energy demands. If India can patch up its bilateral issues, the gas pipeline through Pakistan may be a realisable option.

Economic cooperation is not just a product of better relations. It is a means to an end. India's Prime Minister rightly said that "As we develop greater economic stakes in each other, we can put aside mistrust and dispel unwarranted situations."

In the troubled Indian-held Kashmir since 1989 at least 40,000 lives have been lost due to insurrection and there seems to be no end to it. The continuing violence reflects badly on the Vajpayee's coalition government. If India could come to some understanding over Kashmir with Pakistan, it can stop the senseless killings in Kashmir and be able to divert much of its resources from security to social sectors.

Furthermore, India's general election is due to be held either in April or May of this year. The Prime Minister's political party Bharatiya Janata Party (BJP) has unexpectedly done very well in the recent state elections and seized power from the Congress in three states. If the Prime Minister can begin a meaningful dialogue with Pakistan, majority of people in India will be economically benefited. Such situation is likely to bring huge political dividend for his party in the election.

So far Pakistan is concerned,

reality. There is an external factor to the lingering Kashmir dispute as well. The dispute has been profoundly irritating to the Western countries including the US. South Asia is a region that harbours many Islamic militants and therefore the West wants to neutralise the region from terrorists. Once the Kashmir dispute is resolved, they believe that the cause of Islamic militants in liberating Kashmir from India's rule will disappear leaving the region tension-free. Pakistan is reportedly under pressure from them to mend its affairs with India. The pressure seems to have increased after Libya announced its programme to destroy its weapons of mass destruction.

The Hindu right-wing party in India such as BJP will have the standing to make a compromise to settle the thorny issue. The same can be said of Pakistan since it is saddled with a military President. The recent parliamentary approval provided a stamp of constitutional legitimacy to President Musharraf's rule. A military President backed by army is also in a position of making a suitable deal on Kashmir with India. Both sides could argue that compromises are made for the sake of supreme national interest and by and large people of both countries may accept the deal on Kashmir.

Pitfalls

India in general is suspicious of intentions of military government. It first needs to be convinced that

stan-based militants, the holding of talks might be derailed.

Both the leaders face hardliners in their respective countries. In India, the Hindu right-wing politicians are anything to do with dialogue with Pakistan. Their position is to capture and integrate the Pakistan-held Kashmir (Azad Kashmir) with India's Kashmir. They see Pakistan illegally and forcibly occupying a part of Kashmir. They perceive that any deal on Kashmir through dialogue with Pakistan is a reward to violence by Muslim militants in Kashmir.

In Pakistan, Kashmiri militants and Islamic fundamentalist groups vowed to continue to fight Indian rule, expressing outrage at President Musharraf's agreement to work towards a solution. Syed Salahuddin, head of Hizbul Mujahideen, the biggest pro-Pakistan Kashmiri group reportedly accused the President of selling out interests of Kashmiris to India.

There are other players in Kashmir and violence does not seem to depend on militants from Pakistan alone. On 9th January (Friday) in an attack on a mosque, 14 worshippers were wounded in Jammu, the winter capital of Kashmir. It's an indication that warm relations between the two countries do not really matter for other players.

Until this date, neither side gave ground to their long-standing positions. Pakistan demands that the future status of Kashmir can only be determined

as a "sellout" of the Kashmir cause.

Mr Vajpayee and Gen Musharraf must defend the process from extremists. But they will also have to take some imaginative, pro-active CBMs to promote people-to-people contacts and transportation links between Sindh and Rajasthan-Gujarat.

They must also agree to multiple-entry visas, open more border posts, and promote cultural exchanges, tourism, scientific cooperation, and free circulation of periodicals. In the military field, there is an urgent need to take nuclear risk-reduction measures, end shelling at the LoC, agree to a moratorium on missile test-flights and non-deployment of nuclear weapons.

Historic chance for peace: Make the dialogue work



PRAFUL BIDWAI
writes from New Delhi

SUCH is history's cunning that its agents sometimes do the improbable without knowing whether they might succeed. Prime Minister Vajpayee and President Musharraf met for an hour in Islamabad. But they crafted a historic opportunity for peace.

This is no mean achievement for the two nuclear rivals locked in a continuous half-century long hot-cold war. One must welcome this extraordinary truce -- without reservations, but without illusions.

The gains made in Islamabad exceed those of the Lahore summit, which took place nine months after the India-Pakistan nuclear tests. At Lahore, they wanted to reassure themselves, wishfully, that they could live in peace despite their nuclearisation.

They should have negotiated restraint measures such as a moratorium on missile tests and nuclear deployment. Instead, they only agreed to inform each other of test-flights. Within three months came Kargil.

Numerous conditions made Islamabad a success. Not all of them were of Mr Vajpayee's or Gen Musharraf's making. Their meeting was long overdue after 9/11 and

India's National Security Adviser Brajesh Mishra and Pakistan's National Security Council Secretary Tariq Aziz. Pakistan made three ceasefire offers. New Delhi accepted the third.

The high level of comfort between the two governments is trickling down to the lower bureaucracy. Upon my return through the Wagah border after the SAARC summit, I had the very pleasant experience of Pakistani officers going out of their way to help me cross over even after the gates had closed by the designated hour.

Besides, the Kashmir situation has improved since the Assembly elections. Islamabad now reckons it's wiser to pursue negotiations.

India's National Security Adviser Brajesh Mishra and Pakistan's National Security Council Secretary Tariq Aziz. Pakistan made three ceasefire offers. New Delhi was pleased that Pakistan stopped dragging its feet on the South Asian Free Trade Agreement.

resumption of bus, air and train services showed positive attitudes. New Delhi was pleased that Pakistan stopped dragging its feet on the South Asian Free Trade Agreement.

A third factor was US pressure -- confirmed by Secretary of State Colin Powell in the US News & World Report: "We've been working with the Indians and Pakistanis for almost two years ... I think a lot of these seeds that were planted are now germinating and you'll have us harvesting crops".

It's the US that first proposed the ceasefire. It offered \$3 billion aid to Gen Musharraf last June, on three conditions: Pakistan's "cooperation" in the "war on terrorism", improved relations with India, and

internal democratisation. This is part of the larger US agenda to push Pakistan towards "moderation" and build a close (but not equal) relationship with India.

Finally, recent disclosures about leaks of Pakistan's nuclear technology to North Korea, Iran and Libya have alarmed Washington's policy-makers and increased their leverage vis-a-vis Gen Musharraf. He responded by speeding up the peace process

with India. The peace process is real, but vulnerable to attacks from Right-wing hawks. Sections of the Sangh parivar have lambasted it. The RSS's Ram Madhav says: "Pakistan's record of delivering on promises is poor. But we are glad that the PM has extricated an assurance ... to end cross-border terrorism ...". He insists that the only Kashmir-related issue to discuss with Pakistan is how to get Pakistani-occupied Kashmir back.

The VHP's Giriraj Kishore describes the entire effort as "bakwas" (rubbish). "Since the days of Mohammed Ghauri we have been trying to talk reason to these people. But it's of no use."

Similarly, Pakistan's Islamists have sharply attacked the peace process

but who are they to determine who is a Muslim and who is not? Our Prophet (SM) cautioned in his last Hajj congregation not to brag too much about religion, and only for religion many nations were annihilated. The anti-Ahmadiyya groups seem to be unfamiliar with these sermons. Consequently, religious fanaticism is spreading throughout the country and the government's perfidious dealing with anti-Ahmadiyya elements has compounded the problem. These dreadful developments must be contained right now or gradually we might go down the abyss of destruction.

The upshot is that the govt should follow the "carrot and stick" policy. Without this, religious extremism may rapidly proliferate with great force.

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Freedom of the writer

Letters will only be considered if they carry the writer's full name, address and telephone number (if any). The identity of the writers will be protected. Letters must be limited to 300 words. All letters will be subject to editing.

Valuable minerals

With reference to a news item published under the caption 'Bangladesh has big deposit of precious sand minerals' published in a newspaper, I would like to state the following based on my practical knowledge and experience.

Over the last 30 years, nothing has been done for the development and commercial utilisation of the valuable minerals zircon, rutile, ilmenite, monazite, magnetite, garnet etc found in huge quantity in Cox's Bazar.